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Wage Price Index, Australia

The WPI measures changes in the price of labour, unaffected by compositional shifts in the labour force, hours worked or employee characteristics

Reference period September 2024

Released 13/11/2024

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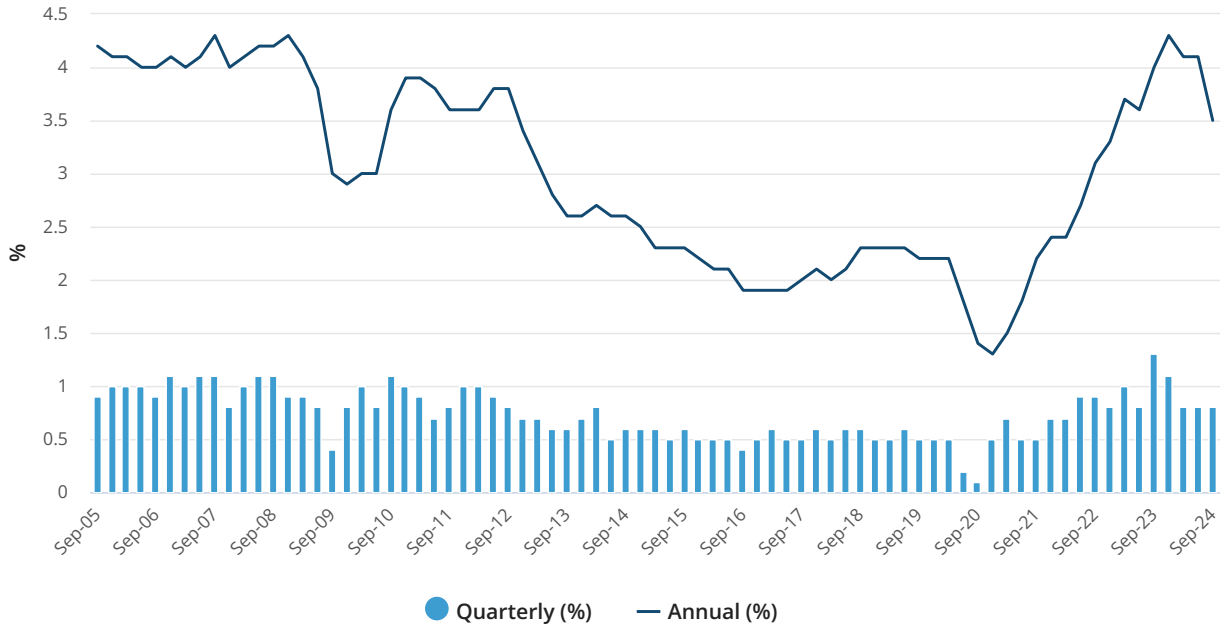
Key statistics

- The seasonally adjusted WPI rose 0.8% this quarter and 3.5% over the year.
- Both the private sector and the public sector rose 0.8%, seasonally adjusted, for the quarter.
- In original terms, the largest industry contributors to quarterly wages growth were Healthcare and social assistance (+1.7%), Retail trade (+2.1%), and Administrative and support services (+2.1%).

Main features

All sector WPI, quarterly and annual movement (%), seasonally adjusted (a)



a. See Interpretation of index numbers, Percentage change and rounding on the Methodology (/methodologies/wage-price-index-australia-methodology/sep-2024#interpretation-of-index-numbers) page.

Total hourly rates of pay excluding bonuses

		Jun Qtr 2024 to Sep Qtr 2024(a) (% change)	Sep Qtr 2023 to Sep Qtr 2024(a) (% change)
Trend(b)	Australia	0.8	3.6
	Private sector	0.9	3.7
	Public sector	0.7	3.5
Seasonally Adjusted(c)	Australia	0.8	3.5
	Private sector	0.8	3.5
	Public sector	0.8	3.7
Original	Australia	1.3	3.5
	Private sector	1.5	3.5
	Public sector	0.8	3.7

a. See Interpretation of index numbers, Percentage change and rounding on the Methodology (/methodologies/wage-price-index-australia-methodology/sep-2024#interpretation-of-index-numbers) page.

b. See Interpretation of index numbers, Trend estimates on the Methodology (/methodologies/wage-price-index-australia-methodology/sep-2024#interpretation-of-index-numbers) page.

c. See Interpretation of index numbers, Seasonally adjusted indexes and Seasonal analysis methods on the Methodology (/methodologies/wage-price-index-australia-methodology/sep-2024#interpretation-of-index-numbers) page.

Overview

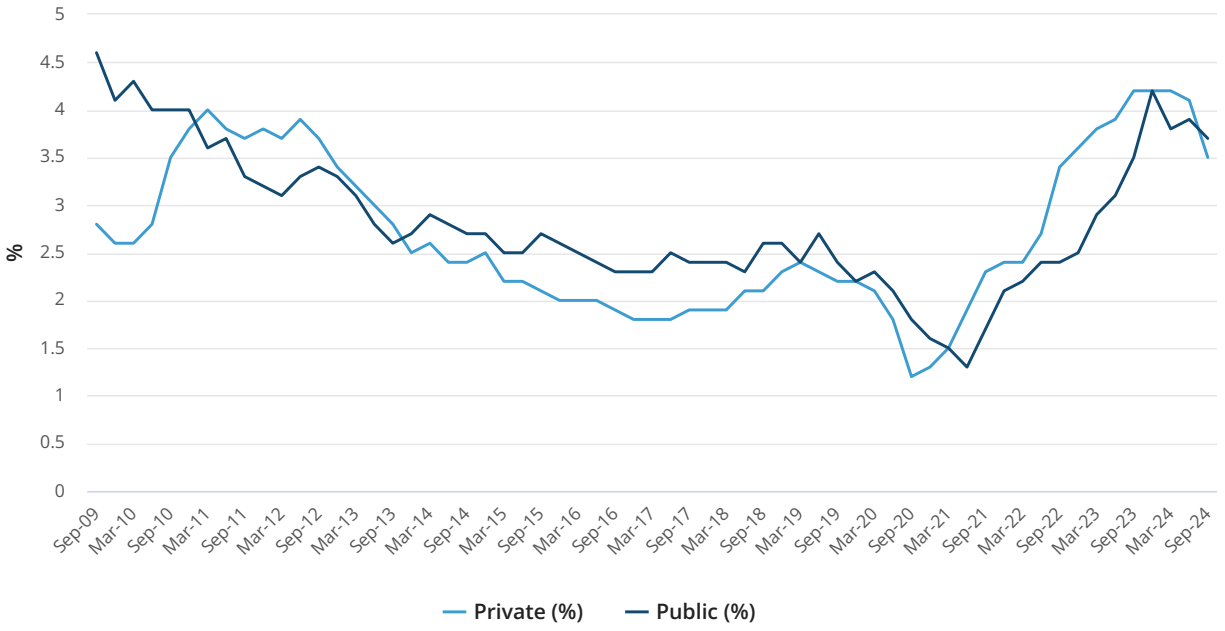
In the September quarter, seasonally adjusted wages rose 0.8% for the third consecutive quarter, and 3.5% over the year. This was the lowest annual rise for the series since December quarter 2022 and followed four consecutive quarters of annual wage growth equal to or above 4%.

A similar proportion of jobs recorded a wage change over the September quarter compared to the same period last year (45% compared to 46%), however, the size of the average hourly wage change reduced from 5.4% to 3.7%.

In the September quarter the private sector was the main contributor to wages growth. Private sector wages rose 0.8%, consistent with last quarter, but lower than the 1.4% recorded in the same period last year.

Wages in the public sector also rose 0.8%, down from 0.9% last quarter and lower than the 1.0% recorded in September 2023.

Annual wage growth by sector, seasonally adjusted (a)

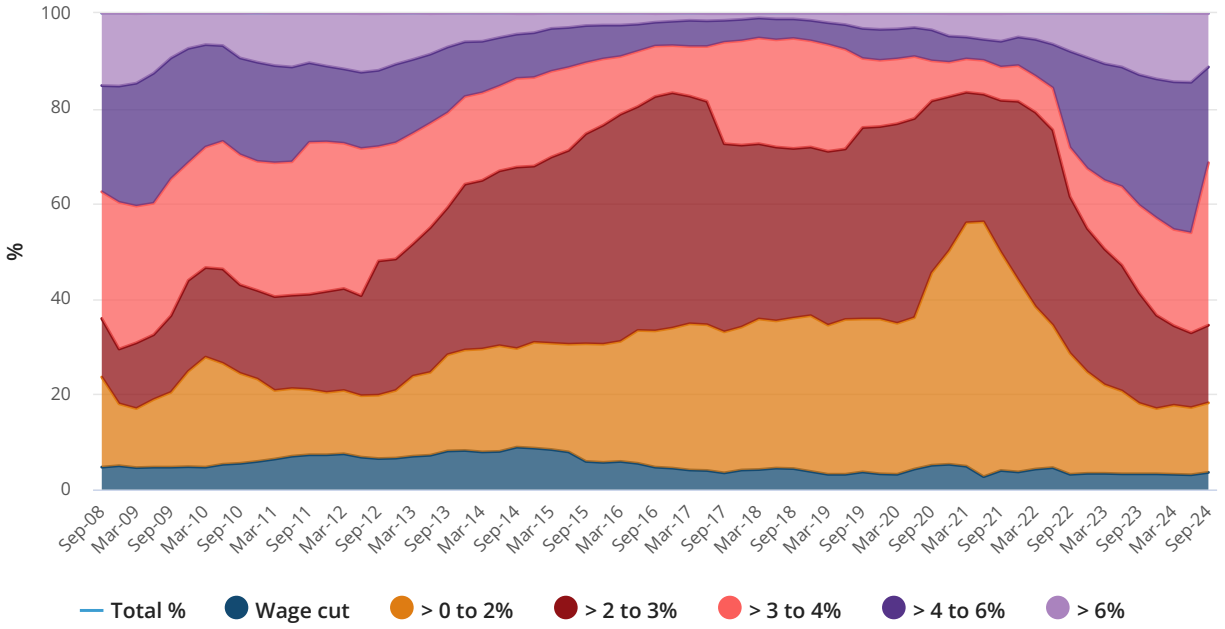


a. See Interpretation of index numbers, Percentage change and rounding on the Methodology (/methodologies/wage-price-index-australia-methodology/sep-2024#interpretation-of-index-numbers) page.

Annualised wage changes

For jobs with a wage change during the previous 12 months, the share that recorded an annualised movement over 4% fell to 31% from a peak of 46% recorded in June quarter 2024.

Annualised wage changes (a)(b)



a. Index series is original, total hourly rates of pay excluding bonuses.

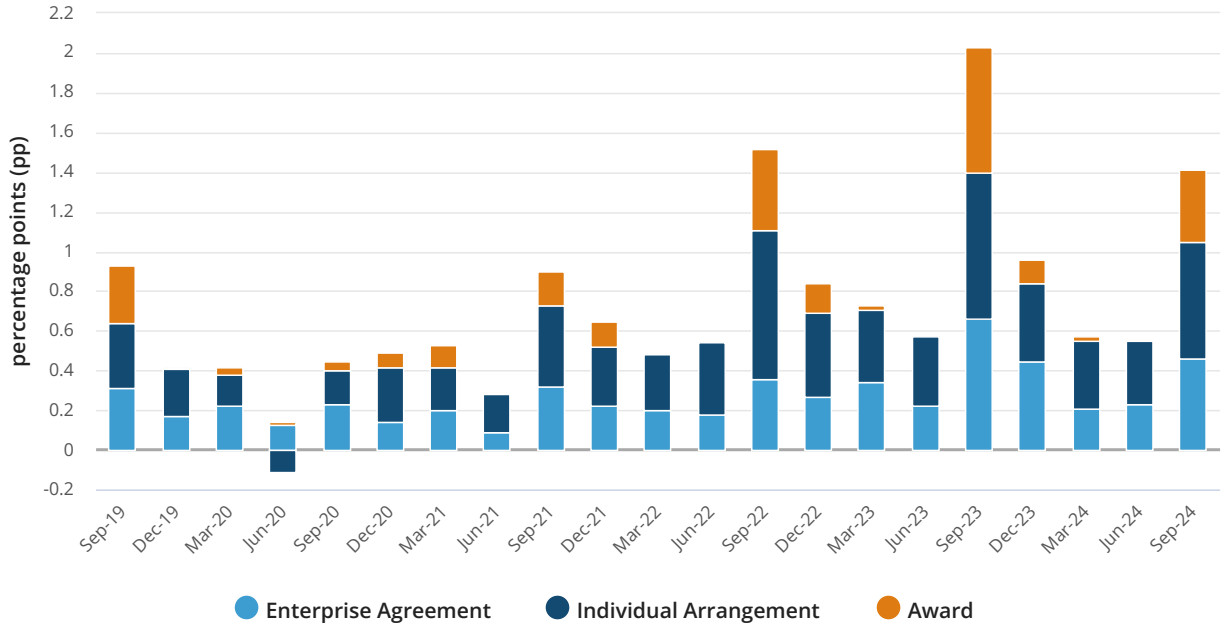
b. Share of jobs that experienced a wage change, smoothed using a four quarter trailing average.

Wage growth by method of setting pay

The Fair Work Commission Annual Wage Review (FWC AWR) 2023–24 (https://www.fwc.gov.au/hearings-decisions/major-cases/annual-wage-reviews/annual-wage-review-2023-24) decision of a 3.75% increase to modern award rates, was scheduled to take effect from 1 July 2024. This decision was lower than the 5.75% decision made in 2022-23 (https://www.fwc.gov.au/hearings-decisions/major-cases/annual-wage-reviews/annual-wage-review-2022-23) and the decision for 2021 -22 (https://www.fwc.gov.au/hearings-decisions/major-cases/annual-wage-reviews/annual-wage-review-2021-22) which provided increases between 4.6% to 5.2%.

The determination directly influences the size of increases to jobs paid under modern award and enterprise agreements linked to the Commission's annual wage review decision. It can also indirectly influence the size and timing of increases paid to jobs under individual arrangement as employers undertake wage and salary review decisions.

Contributions to quarterly wage growth by method of setting pay, original (a)(b)(c)



a. Analytical series is total hourly rates of pay excluding bonuses.

b. See Method used to calculate analytical series 'Contribution to wages growth by method of setting pay' on the Methodology (/methodologies/wage-price-index-australia-methodology/sep-2024#method-used-to-calculate-analytical-series-contribution-to-wages-growth-by-method-of-setting-pay-) page.

c. See Analytical series index numbers, Appendix B index numbers, method of setting pay on the Methodology (/methodologies/wage-price-index-australia-methodology/sep-2024#appendix-b-index-numbers-method-of-setting-pay) page.

Quarterly wage dynamics

Quarterly wage dynamics, by sector, original (a)

		Sep Qtr 2023 (%)	Jun Qtr 2024 (%)	Sep Qtr 2024 (%)
All Sector	Percentage of jobs with a wage change	46	13	45
	Average hourly wage change	5.4	4.1	3.7
Private Sector	Percentage of jobs with a wage change	49	11	49
	Average hourly wage change	5.8	4.2	3.9
Public Sector	Percentage of jobs with a wage change	34	19	30
	Average hourly wage change	3.3	3.8	3.0

a. Average hourly wage change only includes jobs recording a wage movement in the current quarter.

Sector wage growth

Private sector

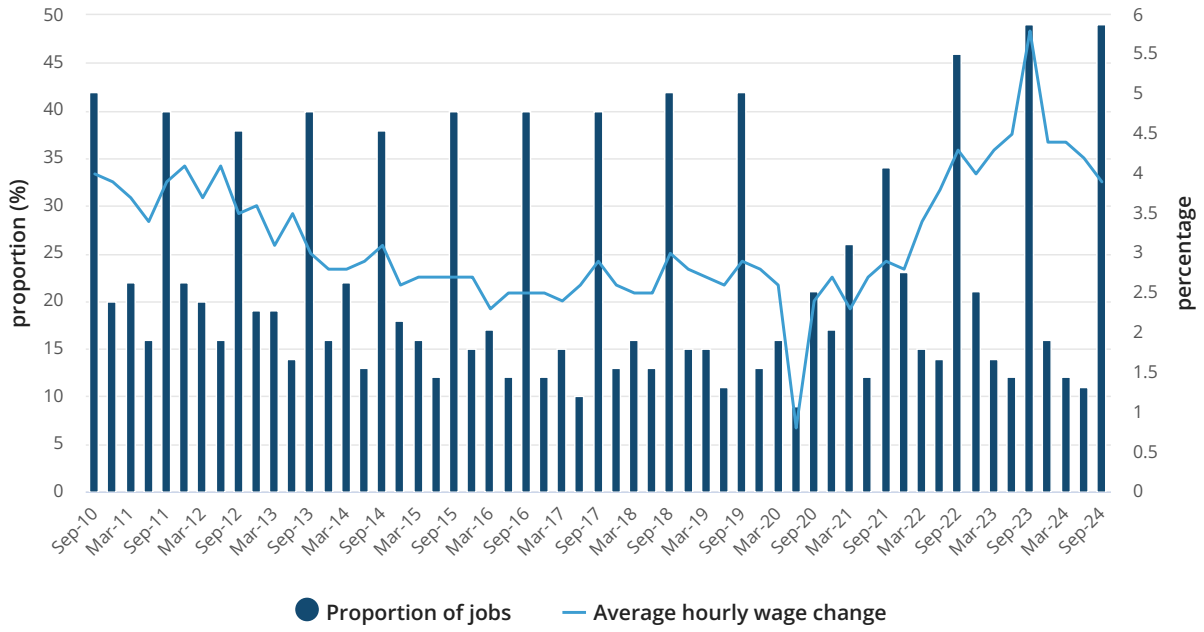
In original terms, private sector wages rose by 1.5% compared to 2.1% recorded in September quarter 2023.

Consistent with September quarter 2023, 49% of jobs recorded an hourly wage change in September quarter 2024.

The average hourly wage change for jobs in the private sector (+3.9%), was lower than the 5.8% recorded in the same period last year.

The average hourly wage change for jobs in the private sector (+3.9%) was slightly higher than the Fair Work Commission Annual Wage Review decision (https://www.fwc.gov.au/hearings-decisions/major-cases/annual-wage-reviews/annual-wage-review-2023-24) (3.75%), which reflected a residual tightness in the labour market.

Quarterly wage dynamics in the private sector, original (a)



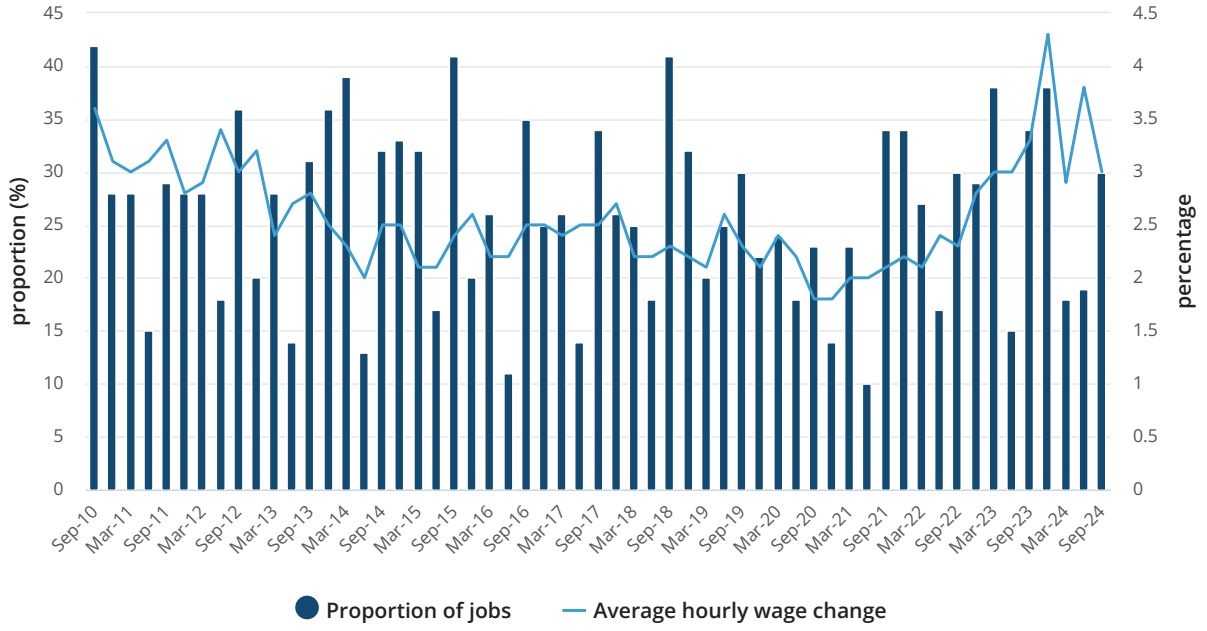
a. Average hourly wage change only includes jobs recording a wage movement in the current quarter.

Public sector

In original terms, public sector wages rose by 0.8% in the September quarter 2024, compared to 1.1% recorded in September quarter 2023.

In September quarter 2024, the public sector saw a decrease in the proportion of jobs that received an hourly wage change, with 30% of jobs recording wage changes compared to 34% in the same period last year. The size of average hourly wage change also decreased (+3.0%) compared to September quarter 2023 (+3.3%).

Quarterly wage dynamics in the public sector, original (a)



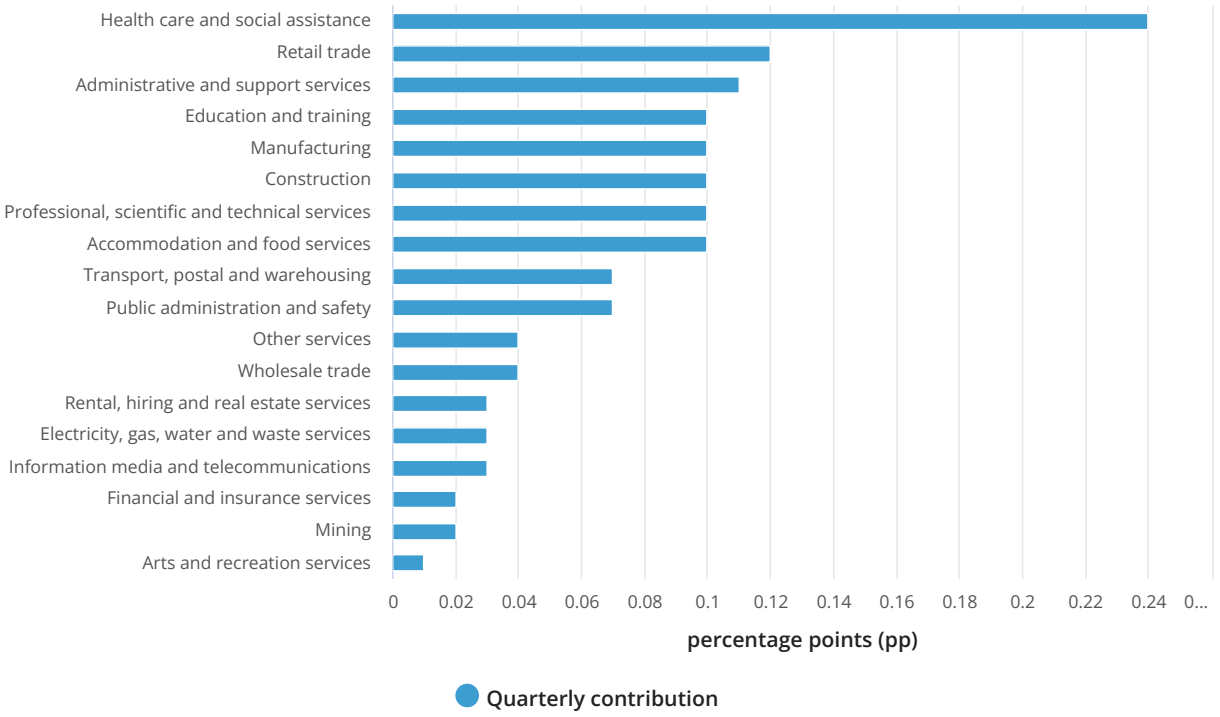
a. Average hourly wage change only includes jobs recording a wage movement in the current quarter.

Industry wage growth

The main contributors to wage growth reflect both the size of the industry (overall number of employees and total wage expenditure) and the size of any wage changes that occurred.

Health care and social assistance was the main contributor to wages growth.

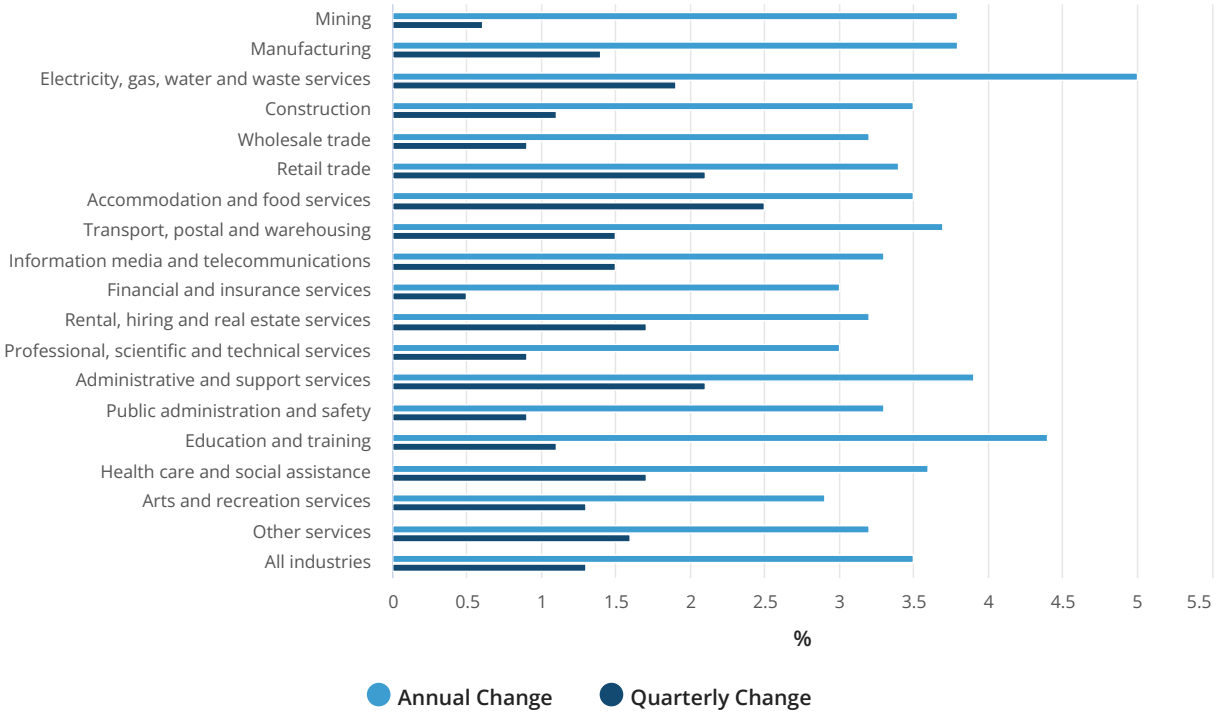
Quarterly contribution - industries



Original estimates:

- Accommodation and food services industry recorded the highest quarterly rise (+2.5%).
- Financial and insurance services industry recorded the lowest quarterly rise in wages (+0.5%).
- Electricity, gas, water and waste services industry recorded the highest through the year wages growth (+5.0%).
- Arts and recreation services industry recorded the lowest through the year growth (+2.9%).

Annual and quarterly movement - industries (a)



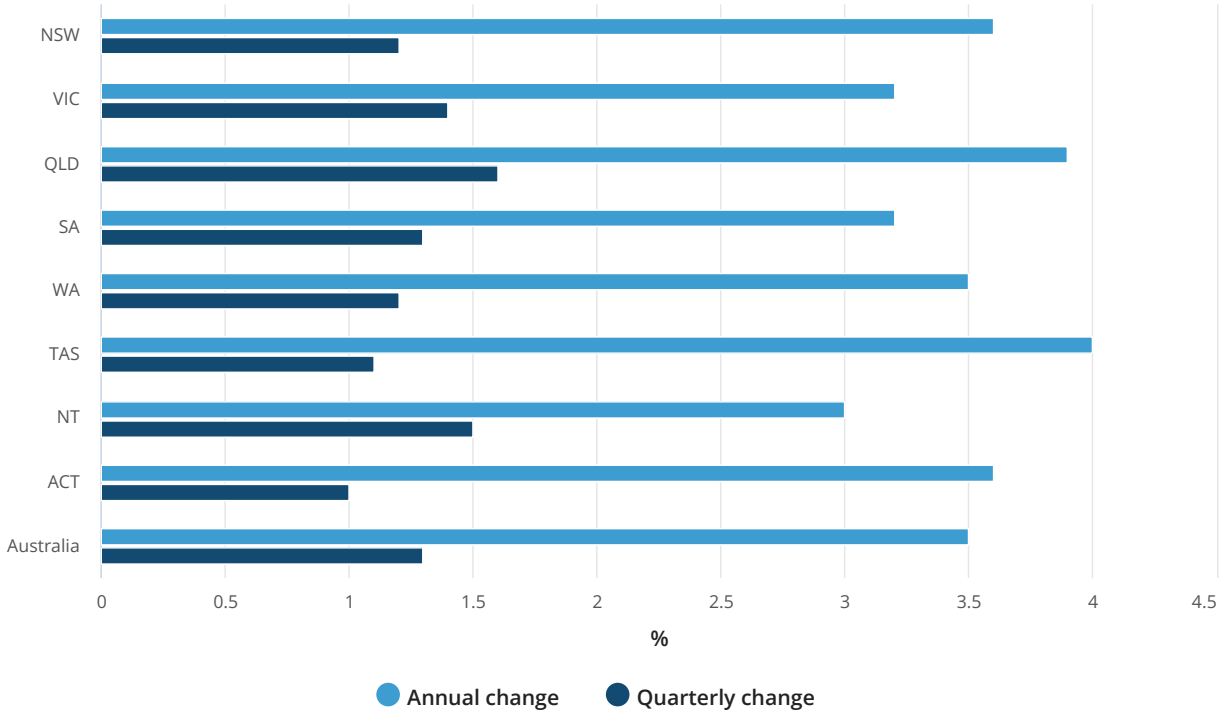
a. Index series is original, total hourly rates of pay excluding bonuses.

State and territory wage growth

Original estimates:

- Queensland recorded the highest quarterly growth at 1.6%.
- The Australian Capital Territory recorded the lowest quarterly growth at 1.0%.
- Tasmania recorded the highest annual growth at 4.0%.
- Northern Territory recorded the lowest annual growth at 3.0%.

Annual and quarterly movement - states and territories (a)



a. Index series is original, total hourly rates of pay excluding bonuses.

Survey impacts and changes

Seasonal adjustment and trend

In June 2020, due to the large and unusual impact of COVID-19 on the economy, the private and All Sector series of the Wage Price Index were moved to the "forward factors" method for seasonal adjustment. This method (as described in the article on Methods changes due to COVID-19 (/articles/methods-changes-during-covid-19-period#abs-trend-and-seasonal-adjustment-during-covid-19)) is better suited in an uncertain environment as the seasonal factors are fixed for a 12 month period. The public sector series remained using the "concurrent" adjustment method, as the disruption was not observed in this sector. The trend estimates were suspended for all series at this time.

The ABS completed their annual review of seasonal adjustment in the WPI in June 2022 and as a result reverted all series to "concurrent" adjustment, as the series had stabilised. The ABS also reinstated the trend estimates for all series in the WPI in June 2022.

Data downloads

I-Note

The wage price indexes in Tables 1, 2b, 3b, 4b, 5b, 7b, 8b and 9b are updated and released every quarter. The corresponding financial year wage price indexes in Tables 2a, 3a, 4a, 5a, 7a, 8a and 9a are updated and released each June quarter for the preceding financial year. There are no financial year indexes created for Table 1.

Time series spreadsheets

Download all (1.15 MB)

Table 1. Total hourly rates of pay excluding bonuses: sector, original, seasonally adjusted and trend
Download XLSX
[63.89 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634501.xlsx)

Table 2a. Total hourly rates of pay excluding bonuses: all sectors by state, original (financial year index numbers for year ended June quarter)
Download XLSX
[51.44 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634502a.xlsx)

Table 2b. Total hourly rates of pay excluding bonuses: all sectors by state, original (quarterly index numbers)
Download XLSX
[65.64 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634502b.xlsx)

Table 3a. Total hourly rates of pay excluding bonuses: private sector by state, original (financial year index numbers for year ended June quarter)
Download XLSX
[51.44 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634503a.xlsx)

Table 3b. Total hourly rates of pay excluding bonuses: private sector by state, original (quarterly index numbers)
Download XLSX
[65.6 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634503b.xlsx)

Table 4a. Total hourly rates of pay excluding bonuses: public sector by state, original (financial year index numbers for year ended June quarter)
Download XLSX
[51.51 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634504a.xlsx)

Table 4b. Total hourly rates of pay excluding bonuses: public sector by state, original (quarterly index numbers)
Download XLSX
[66.15 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634504b.xlsx)

Table 5a. Total hourly rates of pay excluding bonuses: sector by industry, original (financial year index numbers for year ended June quarter)
Download XLSX
[74.85 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634505a.xlsx)

Table 5b. Total hourly rates of pay excluding bonuses: sector by industry, original (quarterly index numbers)

Download XLSX
[141.71 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634505b.xlsx)

Table 7a. Hourly rates of pay including bonuses: sector, original (financial year index numbers for year ended June quarter)

Download XLSX
[49.27 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634507a.xlsx)

Table 7b. Hourly rates of pay including bonuses: sector, original (quarterly index numbers)

Download XLSX
[58.55 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634507b.xlsx)

Table 8a. Ordinary hourly rates of pay excluding bonuses: all sectors by state, original (financial year index numbers for year ended June quarter)

Download XLSX
[51.46 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634508a.xlsx)

Table 8b. Ordinary hourly rates of pay excluding bonuses: all sectors by state, original (quarterly index numbers)

Download XLSX
[65.64 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634508b.xlsx)

Table 9a. Ordinary hourly rates of pay excluding bonuses: sector by industry, original (financial year index numbers for year ended June quarter)

Download XLSX
[74.8 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634509a.xlsx)

Table 9b. Ordinary hourly rates of pay excluding bonuses: sector by industry, original (quarterly index numbers)

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[141.74 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/634509b.xlsx)

All WPI series: original (quarterly index numbers)

Download XLSX
[133.68 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/63450Table2bto9b.xlsx)

All WPI Series: original (financial year index numbers for year ended June quarter)

Download XLSX
[85.79 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/63450Table2ato9a.xlsx)

Data cubes - Distribution of expenditure on wages, wage price index, Australia

Download XLSX
[164.14 KB]
(/statistics/economy/price-indexes-and-inflation/wage-price-index-australia/sep-2024/63450.xlsx)

Create your own tables and visualisations with Data Explorer

> Caution: Data in Data Explorer is currently released after the 11:30am release on the ABS website. Please check the reference period when using Data Explorer.

Wage Price Index (https://explore.data.abs.gov.au/vis?fs[0]=ABS%20Topics%2C1%7CECONOMY%23ECONOMY%23%7CPrice%20Indexes%20and%20Inflation%23PRICE_INDEX_INFLATION%23&pg=0&fc=ABS%20Topics&df[ds]=ABS_ABS_TOPICS&df[id]=WPI&df[ag]=ABS&df[vs]=1.2.0&pd=2020-Q1%2C2021-Q2&dq=.THRPEB..TOT..AUS.Q&ly[cl]=MEASURE&ly[rw]=TIME_PERIOD&ly[rs]=TSEST%2CSECTOR)

For information on Data Explorer and how it works, see the Data Explorer user guide (/about/data-services/data-explorer/data-explorer-user-guide) .

Previous catalogue number

This release previously used catalogue number 6345.0.

Using price indexes

Price indexes in contracts

Price indexes published by the Australian Bureau of Statistics (ABS) provide summary measures of the movements in various categories of prices over time. They are published primarily for use in Government economic analysis. Price indexes are also often used in contracts by businesses and government to adjust payments and/or charges to take account of changes in categories of prices (Indexation Clauses).

Use of Price Indexes in Contracts (https://www.abs.gov.au/websitedbs/D3310114.nsf/home/Inflation+and+Price+Indexes+-+Use+of+Price+Indexes+in+Contracts) sets out a range of issues that should be taken into account by parties considering the inclusion of an Indexation Clause within a contract utilising an ABS published price index.

Frequently asked questions

The article Frequently asked questions (FAQs) about the Wage Price Index (/articles/frequently-asked-questions-faqs-about-wage-price-index) has answers to a number of common questions to do with price indexes and the Wage Price Index, in particular.

Methodology

Scope

The quarterly WPI measures change in the price of wages and salaries in the Australian Labour market over time.

Geography

Quarterly WPI data is published at the national, sector, state and industry level.

Source

Prices for a range of jobs are collected from a sample of private and public sector employers undertaking economic activity across Australia.

Collection method

Prices are collected on a quarterly basis via electronic collection.

Concepts, sources and methods

Information about the data sources and methods used to compile WPI is contained in the Wage Price Index: Concepts, Sources and Methods (/statistics/detailed-methodology-information/concepts-sources-methods/wage-price-index-concepts-sources-and-methods/2012) .

History of changes

- Sample redesign 2009
- Expenditure weights update Dec 2023
- Wage setting analytical series updated June 2023

View full methodology (/methodologies/wage-price-index-australia-methodology/sep-2024)